



**SCOTTSDALE AIRPORT ADVISORY COMMISSION  
PUBLIC MEETING  
Scottsdale Airport Terminal Lobby  
15000 N. Airport Drive, Scottsdale, AZ**

**August 10, 2011**

**MINUTES**

**PRESENT:** Gunnar Buzzard, Chairman  
John Washington, Vice-Chairman  
Ken Casey  
Michael Goode  
William Schuckert

**ABSENT:** William Bergdoll  
Lois Yates

**STAFF:** Clifford Frey, Assistant City Attorney  
Shannon Johnson, Management Analyst  
Gary P. Mascaro, Aviation Director  
Kate O'Malley, Planning & Outreach Coordinator  
Chris Read, Airport Operations Manager

**OTHERS:** Joe Abramson, GPG  
Nic Cherches, Fox Air  
Brent DeRaad, Executive Vice President, SCVB  
Blair Parker, MB Aviation  
Tommy Walker, Scottsdale Air Center

**CALL TO ORDER**

Chairman Buzzard called the meeting to order at 5:01 p.m.

## **ROLL CALL**

A formal roll call confirmed the presence of Commissioners as noted above.

## **AVIATION DIRECTOR'S REPORT**

Mr. Gary Mascaro, Aviation Director, announced that Mr. Bill Withycombe, Western Pacific Regional Administrator of the FAA, will be visiting Scottsdale Airport on September 14.

## **APPROVAL OF MINUTES**

### **1. Approval of Minutes**

Regular Meeting: July 13, 2011

Vice Chairman Washington made a motion to approve the regular meeting minutes of the July 13, 2011 meeting. Commissioner Goode seconded the motion, which carried by a vote of five (5) to zero (0). Commissioners Bergdoll and Yates were absent.

## **PUBLIC COMMENT**

Mr. Tommy Walker of Scottsdale Air Center expressed thanks to the Commission, staff, and Aviation Director for their hard work on the regulatory rewrite.

Mr. Blair Parker of MB Aviation complained that Airport bureaucracy hinders things from being done efficiently. He cited that a new tenant could not receive his gate clicker because of a delay in processing paperwork. During the delay he was obliged to pay to leave his aircraft with one of the FBOs. Yet he was ineligible for a visitor's pass to get into the Airpark.

He noted that his company has used a mobile mechanic for years, as do many other operators. Earl Long, the individual that MB Aviation uses, has been working around the Airport for 30 years, but now the Airport is not allowing this to continue, which he feels is unfair. Now they have the expense and inconvenience of using the FBOs or taking the aircraft to Gateway. In discussions Mr. Parker said that Mr. Chris Read, Airport Operations Manager, indicated this is because of FAA regulations. However he opined that the minimum requirements look as though they were written by the FBOs, because the mechanics are required to have a hangar and an office. He felt this was stifling competition.

## **REGULAR AGENDA**

Chairman Buzzard noted that Commissioner Yates' term on the Commission ends this month. He wanted to acknowledge her contributions over the past six years, and displayed a plaque which will be presented to her in appreciation.

1. Annual Update from the Scottsdale Convention and Visitors Bureau

Mr. Brent DeRaad, Executive Vice President of the Scottsdale Convention and Visitors Bureau, noted that tourism in Scottsdale is finally picking up. They are optimistic that this trend will continue. Scottsdale and Paradise Valley were the top U.S. hotel market in March.

He discussed the Proposition 200 bed tax funds, noting that the CVB now receives 50 percent of the bed tax monies, down from 70 to 80 percent in the past. The other 50 percent is available to the City to invest in special events or tourism related capital projects. With an annual budget raised to \$10 million, the CVB is able to do more marketing. The City's share was partly used for events around Fiesta Bowl, which led to ESPN broadcasting from downtown Scottsdale throughout the week. City Council has approved the expansion of the Equidome at WestWorld, which will be completed with bed tax funds. The projects benefit not only the tourism industry but also the people of Scottsdale.

Mr. DeRaad said he and Ms. O'Malley will be attending the NBAA conference in Las Vegas in October.

He commended them on increasing the takeoff weight limit to 100,000 pounds, which will help attract long haul travelers. The new U.S. Visit Customs service will also help attract desirable visitors from Canada and Mexico. He announced that Arizona is bidding for Super Bowl 2015. The only other invited bidder is Tampa Bay. They hope to know within a couple of months whether the Arizona bid is successful.

In response to a question from Vice Chairman Washington, Mr. DeRaad described how visits are analyzed and what the CVB is doing to attract even more Canadian visitors. Nearly all of last year's increase can be attributed to Canadian visitors.

Commissioner Casey recalled the difficulties experienced at the Airport on the Monday after the 2008 Super Bowl. He asked what is being done to reassure the event organizers that this will not recur. Mr. DeRaad said the Chair of the Super Bowl host committee and with the lead staff person are aware that the FAA was the primary contributor to the 2008 issues. This message will be relayed to the owners.

Chairman Buzzard said the improvements cited by Mr. DeRaad and that Scottsdale Air Center now has access to DCA should make the Airport a much more attractive destination for travelers from Washington, D.C. Mr. DeRaad said the CVB has a sales manager dedicated to the association market in the mid-Atlantic area. He noted the new Scottsdale Airport marketing brochure, which is a joint effort of the CVB and Airport staff.

2. Discussion and Input regarding the Airport Restaurant

Ms. Shannon Johnson, Management Analyst, provided an update. She issued an RFP on July 28. The closing date is August 29. There has been significant interest. Two individuals in particular have advised her that they are preparing bid materials. A pre-bid conference will take place on August 11.

Commissioner Casey commented that there was little interest until an article appeared in the newspaper. He wondered what they could do to increase interest in the future. Mr. Mascaro said the change in the economy is responsible for the increased interest in his opinion. He assured the Commission that they will be asking people why they are now interested. About 20 have called Ms. Johnson.

Commissioner Goode inquired about the lack of bids the last time the RFP was issued. Ms. Johnson recalled that one person indicated they would bid but in the event did not. She tried to find out why this was but was unable to obtain that information.

Mr. Mascaro said the key to success is that the Airport is statutorily required to put the restaurant out for bids. As a result, the bid process is truly the negotiation process. The Airport is open to negotiation.

Commissioner Schuckert recalled his past experience with the restaurant RFP, opining that this process is not the most appropriate for leased real estate. He encouraged staff to look at making some modifications. For instance, APS requires a deposit of \$8,500 for five years, which is a discouragement to potential restaurant operators. The rules about signage are also too restrictive for a successful restaurant. He asked who chooses the successful bidder if several parties bid.

Mr. Mascaro thanked Commissioner Schuckert for his comments, saying he was unaware of the APS deposit. The goal is to bring in an entity to support the Airport and the Community. The restaurant does not make money for the Airport. It is an amenity. He agreed that issuing an RFP for a restaurant is a challenge, but their hands are tied by the current Code. The City Manager is looking at flexibility, but that would be a future Council decision. If they receive multiple bids, a panel will be set up to evaluate them. This is a Council decision, with recommendation from the Commission. Mr. Mascaro said he hopes to have a lease to present to the Commission by the next meeting. They want to expedite this so the operator benefits from the busy season.

Commissioner Casey asked what will happen at tomorrow's meeting. Ms. Johnson said she will begin by reviewing the RFP, take questions from the floor, then conduct a tour of the restaurant. She has already shown about 10 people around the restaurant premises and is prepared to continue doing that as necessary after the pre-bid conference. Commissioner Casey opined that over the long term, a successful restaurant will bring additional funds into the Airport.

Mr. Joe Abramson, Chief Pilot of GPG, recalled holding company Christmas parties at the restaurant. A restaurant is needed at the Airport. He agreed with the previous speaker's remarks about bureaucracy.

Mr. Nic Cherches, Chief Pilot for Fox Air and MK30, said that a restaurant is needed to encourage camaraderie. He hoped that the successful bidder will have an interest in aviation.

### 3. Discussion and Possible Action Regarding Airport Advisory Commission Bylaws

Citing a request at the last meeting to permanently change the meeting start time to 5:00 p.m., Mr. Mascaro explained that they would need to vote to amend the bylaws accordingly.

Commissioner Goode moved to change the Commission's meeting time from 6:00 p.m. to 5:00 p.m. Vice Chairman Washington seconded the motion.

Chairman Buzzard indicated he is not in favor of this change as a 6:00 p.m. start time makes it easier for citizens to attend. In response to a suggestion from Commissioner Casey, he said they could not solicit input from the audience because no one has submitted a comment card.

Vice Chairman Washington said he had suggested changing the start time because of the length of some meetings, although meetings have been more concise recently.

Commissioner Schuckert said he would be in favor of starting meetings at 6:00 as long as there is a possibility to have an earlier start time if the agenda is long. Commissioner Goode said meeting times must be consistent. An earlier start time could be better for staff.

Commissioner Goode and Vice Chairman Washington voted in favor of the motion. Chairman Buzzard and Commissioner Schuckert voted against it. Commissioner Casey abstained from voting. The motion failed so the meeting time will remain unchanged at 6:00 p.m.

Chairman Buzzard said the bylaws currently prohibit the Chair from making motions. At times this has been a frustration to him.

Vice Chairman Washington made a motion to amend the Airport Advisory Commission bylaws to allow the Chair to make a motion.

Mr. Mascaro clarified that although the bylaws give flexibility on some specific items, they otherwise default to Roberts Rules.

Commissioner Goode seconded the motion, which carried by a vote of five (5) to zero (0). Commissioners Bergdoll and Yates were absent.

Vice Chairman Washington noted that according to the bylaws, if they allow public comment to exceed three minutes per speaker, they should vote to permit this, but the Commission has not been doing this. He asked whether they need to vote at each meeting on this. Mr. Mascaro responded that he would check with the City Attorney's Office. Chairman Buzzard said they have been following similar practices to City Council.

Chairman Buzzard drew the attention of the Commission to section 207 regarding absence from meetings. In response to a question from Commissioner Casey, Mr. Mascaro said this rule is not standard; other boards and commissions have different rules. This will be addressed in the board and commission review. Chairman Buzzard

expressed pride that attendance has not been an issue for the Commission as Commissioners arrive on time, prepared for the meeting with insightful questions.

4. Discussion and Possible Action to Recommend to City Council the Adoption of Resolution No. 8781, Authorizing Construction Bid Award No. 11PB060 to the Lowest Responsive Bidder to Construct Phase 3 of the Airport Parking Apron Reconstruction Project.

Airport Operations Manager Mr. Chris Read recalled the update he had provided at the last meeting on Airport reconstruction. The bids for Phase 3 are closed. He drew their attention to a map of the project area and a spreadsheet showing the bid tabulations.

For Phase 3, staff are presenting two funding scenarios. The first is a typical scenario using grants from the FAA and ADOT and matching monies from the Aviation Fund. The breakdown is 95 percent from the FAA and 2.5 percent each from ADOT and the Aviation Fund.

The second scenario uses a grant from ADOT to fund 90 percent of the project and the Aviation Fund would pay the remaining 10 percent. In the first scenario the Aviation Fund would spend about \$44,000 and in the second scenario the cost to the Aviation Fund would be approximately \$176,000.

Obviously the first scenario is preferable. The second scenario was drafted because with the recent FAA shutdown, their grant has not yet been paid to the Airport. Because of uncertainty about FAA funding, last year staff requested the ADOT 90 percent funding as a backup plan. They plan to continue on course and if the FAA funding comes through before construction begins they will use it. If not, they will follow the second scenario.

Mr. Read explained that although three bids were received, one company withdrew their bid. The low bidder is Banicki Construction at \$1,768,632.90. Vice Chairman Washington asked whether the motion will need to incorporate language about the funding options. Mr. Read said the motion is simply to recommend accepting the Banicki Construction bid.

Vice Chairman Washington moved to recommend to City Council that it adopt Resolution No. 8781 authorizing construction bid award No. 11PB060 for Airport Apron Reconstruction Phase 3 to Banicki Construction in the amount of \$1,768,632.90. Commissioner Goode seconded the motion, which carried by a vote of five (5) to zero (0). Commissioners Bergdoll and Yates were absent.

5. Discussion and Input regarding the Airport Commission Liaison Program

Chairman Buzzard asked the Commissioners whether the current areas of Air Fair; safety; security; Scottsdale Airport regulations and standards; Planning, Development, and Redevelopment; community communications and public relations are still appropriate.

Vice Chairman Washington said he is willing to help out in any way and that this could be discussed outside of the meeting. Chairman Buzzard recalled that the idea of the Airport Commission liaison program is for individual Commissioners to keep an eye on the various topics. When he receives inquiries he refers them to the specific Commissioner.

Chairman Buzzard reported that he has secured a commitment for a flyby by the 161<sup>st</sup> Refueling Wing and a static display at the Air Fair.

Commissioner Goode reported that the bar program was disbanded as of August 2. One senator is trying to reinstate it. With regard to Bye Aviation, he just learned that the company is undergoing restructuring. Manufacturing will likely take place in Denver. However Bye has two other projects that might locate in the Airpark. The LASP is in the budget process. He has heard that the weight limits may be higher than originally proposed and that a trusted pilot program will be implemented. He does not anticipate any additional security requirements at the airport level.

Vice Chairman Washington reported that Christina Hansen has been assigned to a different beat by the Arizona Republic and Ofelia Madrid will be covering the Airport.

#### 6. Discussion and Input regarding Monthly Operations Reports for July 2011

Mr. Read presented the monthly operations reports for July 2011. Now that Phase 1 of the reconstruction is completed Landmark Aviation is using it and they are very happy.

#### 7. Discussion and Input Regarding Monthly Financial Reports for June 2011

Ms. Johnson noted that revenue through June is about six percent below the forecast. However she emphasized that these are preliminary year-end figures subject to adjustment. The main reason revenues were lower than forecast was the 11-day runway closure last July. In response to a question by Vice Chairman Washington, Ms. Johnson said the runway closure was not scheduled when the forecast was drawn up.

Expenses for FY 2010/11 appear to be right on target.

Chairman Buzzard requested that in future reports indicate that the fiscal year runs from July through June.

Noting a jump of 28 percent in expenses over June of the previous year, Chairman Buzzard asked what accounted for that. Ms. Johnson said operations has gone to a new uniform policy so clothing was purchased.

8. Discussion and Input Regarding the Marketing, Community, and Pilot Outreach Programs

Planning and Outreach Coordinator Ms. Kate O'Malley announced that the Airport was featured in Airport Revenue News this month, highlighting their community outreach efforts. She is sending a copy to all the Commissioners. The Aircraft Noise Information brochure has been printed and is being used to inform residents and realtors of the impact of living close to an airport.

It is now possible to complete applications for permits online through the website.

Planning for the Air Fair continues. Tickets will be on sale within a couple of weeks. Currently staff is focusing on event parking, obtaining sponsorships, and recruiting aircraft. They plan a light show with tethered hot air balloons on the Saturday evening.

Staff continues to monitor property development in the Airport area through the Planning Department. In July three new projects within the Airport influence area were submitted to the Planning Department. None of these negatively impact the Airport.

In terms of community outreach, in July Ms. O'Malley said they exhibited at the annual realtor expo. Staff has expanded the youth outreach program and is now available for classroom visits as well as tours of the Airport. In July they visited a summer camp for elementary schoolchildren.

Ms. O'Malley reminded the Commission that if noise complaints are received during the hours of the voluntary curfew, aviation staff will work to contact the aircraft operator and remind them of the policy. Two letters were sent out in July. She confirmed to Vice Chairman Washington that she also followed up with the residents who complained to assure them that staff is taking action.

Commissioner Casey inquired about the possible impact on aviation of the Air Fair. Ms. O'Malley said they are working closely with the tower. The Airport will be open during the Air Fair but there will be some brief closures for particular displays.

9. Discussion and Input Regarding Airport and Airpark Aeronautical Business Permit Additions, Cancelations, and Revocations.

Ms. Johnson stated that three aeronautical business permits were issued for Tempus Jets, Borden Properties, and Lex Capital.

10. Discussion and Input Regarding Status of Aviation Items to City Council

Mr. Mascaro noted that the proposed amendments to the Airport's primary guiding documents is on the consent agenda for August 23. Approval of the construction bid award will be on the consent agenda on August 29.



11. Discussion and Possible Action to Modify the Airport Advisory Commission Meeting Schedule and Commission Item Calendar

Noting that the only potential major topic for the September agenda could be an update from the AZBAA, Chairman Buzzard suggested that after a busy summer, the Commission could consider canceling the September meeting. Discussion ensued regarding a conflict between the NBAA meeting and the Commission meeting on October 12. Mr. Mascaro suggested that they might cancel the September meeting, meet on October 12, and agendize the AZBAA update for the November meeting.

Vice Chairman Washington moved to cancel the September meeting of the Airport Advisory Commission. Seconded by Commissioner Goode, the motion carried by a vote of five (5) to zero (0). Commissioners Bergdoll and Yates were absent.

### **COMMISSION SUMMARY OF CURRENT EVENTS**

Commissioner Goode inquired about the need to attend the City Council meeting on August 23. Mr. Mascaro said it is up to the Commissioners. He will attend prepared to answer any questions should they arise. He noted that the regulatory rewrite is on the consent agenda. Chairman Buzzard said he plans to observe and that Aviation Director Mascaro is the best person to answer any questions.

Chairman Buzzard said he is very proud to serve with everyone on this Commission. In the recent review of all the boards and commissions, the Mayor cited the Airport Advisory Commission as one of the best examples for other boards and commissions. Also the fact that the Glendale Airport Commission came to observe one of their recent meetings attests to the Commission's strengths. He thanked each Commissioner for their efforts.

Vice Chairman Washington said good staff support is also crucial to the success of the Commission

### **FUTURE AGENDA ITEMS**

Commissioner Casey moved that a discussion on possibilities of streamlining Airport access and making the process more user friendly for any new tenants and customers to Scottsdale Airport be agendized for the October meeting. Vice Chairman Washington seconded the motion.

Mr. Mascaro pointed out that the Commission had this discussion at their February meeting. Chairman Buzzard said that the issues raised by this evening's speakers were specific to access for through the fence operations and maintenance.

Commissioner Casey said staff has worked hard since February to implement the changes made then. He felt they should look again to see if there are further improvements that could be made. Mr. Read's presentation in February was great. They would not need that level of detail in the October presentation. The number one complaint he hears is about the red tape.

Chairman Buzzard suggested that he discuss these issues with Mr. Read and Mr. Mascaro later. He could then ask Mr. Mascaro to request an agenda item if Commissioner Casey felt it was necessary, and Chairman Buzzard would be happy to include it for October. Commissioner Casey argued that the Commission needs to hear from the customers who use the Airport on a daily basis, as he is only aware of some of the issues. Vice Chairman Washington concurred that if a stakeholder is coming to the Commission to complain, they owe it to him to investigate.

A discussion ensued on whether to agendize a discussion on maintenance per Mr. Parker's remarks. Mr. Mascaro confirmed to Chairman Buzzard that these are two completely separate topics and he can discuss maintenance issues offline with individual Commissioners if they wish.

The motion to discuss Airport access for new tenants and customers carried by a vote of five (5) to zero (0). Commissioners Bergdoll and Yates were absent.

Vice Chairman Washington made a motion to discuss an economic impact study for the Airport at the next meeting. Commissioner Schuckert seconded the motion, which carried by a vote of five (5) to zero (0). Commissioners Bergdoll and Yates were absent.

## **ADJOURNMENT**

With no further business to discuss, being duly moved and seconded, the meeting adjourned at 6:43 p.m.

Respectfully submitted,

A/V Tronics, Inc. DBA AVTranz